

Media Release

More Customers Dining-in as F&B Sector Fully Reopens After Pandemic Restrictions

F&B Deal Platforms Observed to Drive Customer Satisfaction, Loyalty, and Spending

Singapore, 2 December 2022 (Friday) – The Institute of Service Excellence (ISE) (卓越服务研究院) at Singapore Management University (SMU) today released the 2022 third quarter (Q3) Customer Satisfaction Index of Singapore (CSISG) results for the Food & Beverage and Tourism sectors.

In the latest results, the Food & Beverage (F&B) sector scored 71.5 points in Customer Satisfaction (on a 0 to 100 scale). The sector was made up of brands and companies from three distinct sub-sectors: The Fast Food Restaurants sub-sector, which scored 71.9 points, a 2.8% decrease compared to the previous year, the Restaurants sub-sector, which scored 71.6 points, a 1.9% year-on-year decrease, and the Cafes & Coffee Houses sub-sector, which scored 70.6 points, a 1.5% year-on-year increase. The Tourism sector, which surveyed local visitors of Singapore’s tourist attractions, scored 74.1 points, a 1.7% dip, year-on-year.

Food & Beverage

The study also found substantially more F&B customers choosing to dine-in instead of doing takeaways or food deliveries. Some 59.4% of customers surveyed said they had most recently dined-in, compared to 34.8% a year ago.

Pertaining to F&B sub-sectors’ drivers of satisfaction, dips in customers’ perceptions of quality were observed, particularly for the Restaurants sub-sector. The sub-sector saw its Perceived Quality score fall 3.4% year-on-year to 74.4 points.

Restaurants’ poor performance in Perceived Quality was primarily contributed by the takeaway customer segment, with respondents giving markedly lower attribute ratings, compared to their dine-in counterparts. For example, ‘Ordering Process’ for takeaway customers rated only 6.93 points (on a 1 to 10 scale) while dine-in customers rated it 7.83 points; ‘Approachable Staff’ rated 7.09 for takeaway but 7.55 for dine-in.

“It’s great to see the pickup in F&B dine-in with the easing of pandemic restrictions. However, notwithstanding the considerable challenges of hiring and training staff, F&B operators should not neglect the takeaway and food delivery customer segments that they had spent much effort to build over the past two years.” said Ms Neeta Lachmandas (妮塔.拉切曼达斯), Executive Director (执行总监) of ISE.

Another observation of the F&B sector was the prevalent use of F&B deal platforms by diners. Some 25.6% of F&B patrons surveyed said they made use of a deal during their most recent dining experience, using platforms such as Burpple, Entertainer, and Fave.

Diners using deal platforms were observed to have significantly higher perceptions of value, satisfaction, and loyalty, compared to customers who did not make use of any deal when patronising the F&B establishment. This segment of customers also indicated that they spent significantly more per person. The latest findings show a median spend of \$35 per person, compared to a median spend of \$20 for respondents that indicated they did not use a deal platform.

“While consumers look to these deal platforms for value and cost saving vouchers, F&B operators can employ these services as tools to drive repeat visits; used appropriately, it can be a win-win for both diners and businesses,” suggested Ms Lachmandas.

Attractions

In the tourist attractions sector, customer satisfaction and perceptions of quality continued to be depressed. In particular, all 16 quality attributes measured in the study, such as in the areas of wayfinding, service, and amenities, continue to score below pre-pandemic levels.

In terms of visitor demographics, as in the previous year, the study measured only local visitors, as surveys were conducted while tourist figures were still relatively low. Nonetheless, there was a notable increase in the older visitors’ segment; the proportion of visitors aged 50 and above increased 4.9 percentage points year-on-year to 28.6%.

This segment was also observed to have lower perceptions of quality, compared to younger visitor segments. For example, the Perceived Service Quality score for visitors aged between 18 and 29 was 78.3 points, while visitors aged 50 and above was just 73.6 points.

To improve Attraction visitors’ Perceived Quality, the analysis suggests to focus on improving the attractions’ ‘Entertainment or educational value’, ‘Staff knowledge’, and ‘Clarity of onsite directions’, in descending order of importance. Additionally, ‘Cleanliness’ was found to be a significant driver of quality to the 50-year-old-and-above visitor segment.

“With travel restarting at a brisk pace and expectations for the healthy return of visitors to attractions, it will be essential for operators to identify the needs and desires of potentially new groups of customers, seize the momentum, and build the buzz that will drive positive word-of-mouth and return visits.” remarked Ms Lachmandas.

A total of 2,600 local consumers were surveyed in the CSISG 2022 Q3 study.

Please refer to **Annex A** for a background on the CSISG and **Annex B** for the detailed scores.

About the Customer Satisfaction Index of Singapore

The Customer Satisfaction Index of Singapore (CSISG) is a landmark study that computes customer satisfaction scores at the national, sector, sub-sector, and company levels with the intent of producing a rigorous, objective and comprehensive assessment of Singapore's service levels. Given that the CSISG is the only national customer satisfaction measurement tool with cross sector capabilities, ISE is able to provide organisations with exclusive benchmarking insights about customer satisfaction as well as use predictive analytics and regression models to pinpoint drivers that would deliver the most impact.

About the Institute of Service Excellence (ISE) at Singapore Management University

The Institute of Service Excellence was jointly set up by Singapore Management University and Singapore Workforce Development Agency in July 2007 to elevate service levels and promote a culture of service excellence in Singapore. Working in close collaboration with government agencies and business leaders, ISE champions service excellence through an integrated approach that encompasses benchmarking and analysis, research and thought leadership, as well as industry engagement.

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Annex A

About the Customer Satisfaction Index of Singapore (CSISG)

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CSISG measures customers' cumulative satisfaction with companies. Each company score is generated using a structural equations model (refer to Figure 1) based on survey data collected from end-users after consumption of products and services.

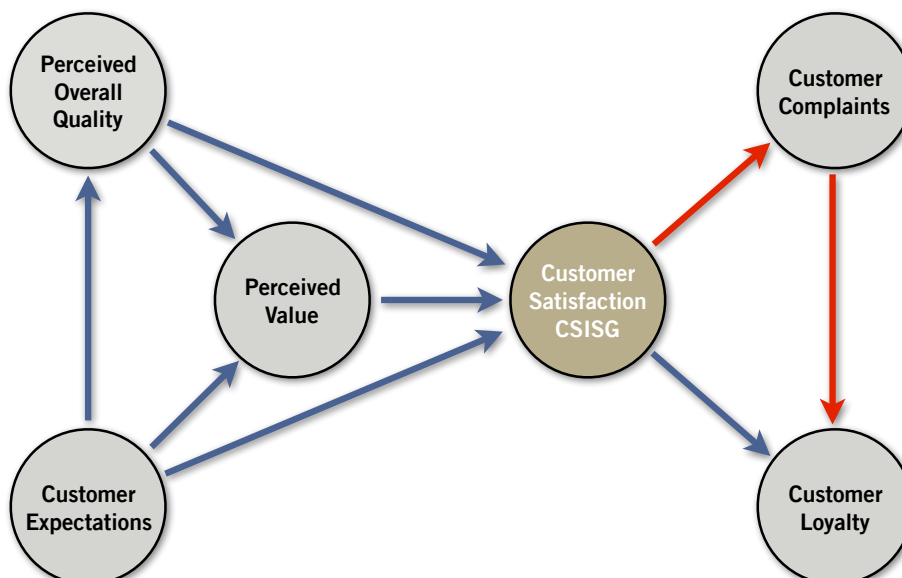
Sub-sector scores are derived as a weighted average of company scores, in proportion to the local (and where applicable, tourist) incidence interactions with the constituent companies. Sector scores are derived by aggregating the sub-sector scores proportionately to each sub-sector's revenue contributions.

CSISG scores customer satisfaction on a scale of 0 to 100 with higher scores representing better performance.

The methodological foundations of the CSISG are based on the American Customer Satisfaction Index (ACSI) that was developed by the National Quality Research Center (NQRC) at the University of Michigan. The ACSI has been a standardised measure of customer satisfaction in the United States economy since 1994.

Given that the CSISG is the only national customer satisfaction measurement tool with cross sector capabilities, ISE is able to provide organisations with exclusive benchmarking insights about customer satisfaction as well as use predictive analytics and regression models to pinpoint drivers that would deliver the most impact.

Figure 1: CSISG model





2022 Q3 SCORES FOOD & BEVERAGE AND TOURISM

74.1 Tourism

74.1 Attractions

- 75.2 Singapore Zoo
- 75.1 Gardens By The Bay
- 73.7 Universal Studios
- 73.4 Sentosa
- 73.9 Other attractions

71.5 Food & Beverage

71.9 Fast Food Restaurants

- 73.8 McDonald's
- 72.3 Burger King
- 69.9 KFC
- 69.5 Subway
- 72.2 Other fast food restaurants

71.6 Restaurants

- 76.5 Din Tai Fung*
- 73.3 Sakae Sushi
- 71.4 Pizza Hut
- 71.2 Crystal Jade Kitchen
- 70.4 Swensen's
- 71.2 Other restaurants

70.6 Cafes & Coffee Houses

- 71.9 Coffee Bean & Tea Leaf
- 71.4 Starbucks
- 71.1 Toast Box
- 71.0 Ya Kun

This chart summarises the results of the CSiSG 2022 satisfaction scores in the Food & Beverage, and Tourism sectors at the sector, sub-sector and company levels.


The sector scores (in gold) represents a weighted average of their respective sub-sector scores (in blue). Satisfaction scores for sub-sectors with individual company scores are weighted averages of these individual company scores.


All scores displayed are accurate to one-decimal place. Entities are presented in decreasing levels of satisfaction.

* Companies indicated with an asterisk(*) are companies that have performed significantly above their sub-sector average at 90% confidence.

* Sub-sectors indicated with an asterisk(*) are sub-sectors that have performed significantly above their sector average at 90% confidence.

The sparklines indicate the satisfaction score of their respective sectors, sub-sectors and companies over the past few years.

 statistically significant increase in customer satisfaction from 2021 to 2022

 statistically significant decrease in customer satisfaction from 2021 to 2022

 no significant year-on-year change in customer satisfaction score

Entities shown in this scorecard have samples of $N \geq 50$.

CSISG Quarter 3

Previously reported scores based on the door-to-door methodology (See Note 2)

2013	2014	2015	2016	2017	2018	2019	Note 2 2020	2021	2022	2021-2022 Year-on-Year Change / % Change	SECTOR / Sub-sector / Company Measured
70.3	65.8	67.1	70.1	71.7	74.2	76.9	73.6	72.7	71.5	-1.16 (-1.6%)	FOOD & BEVERAGE (Sector)
Note 1	Note 1	Note 1	69.8	71.5	74.4	78.3	73.8	73.1	71.6	-1.42 (-1.9%)	Restaurants (Sub-sector)
NM	NM	NM	71.3	73.0	74.5	76.4	76.2	76.8	76.5	-0.30 (-0.4%)	Din Tai Fung
NM	NM	NM	69.8	71.2	74.5	82.3	73.5	73.5	73.3	-0.23 (-0.3%)	Sakae Sushi
NM	NM	NM	70.6	71.1	72.0	76.6	71.2	72.6	71.4	-1.26 (-1.7%)	Pizza Hut
NM	NM	NM	70.9	72.6	75.2	77.0	72.4	75.6	71.2	-4.47 (-5.9%)	Crystal Jade Kitchen
NM	NM	NM	70.2	72.0	74.5	78.3	71.0	71.7	70.4	-1.25 (-1.7%)	Swensen's
Note 1	Note 1	Note 1	68.0	70.9	75.2	80.2	74.2	72.6	71.2	-1.36 (-1.9%)	Other restaurants
67.9	69.0	69.4	70.7	71.7	73.6	74.6	73.1	74.0	71.9	-2.05 (-2.8%)	Fast Food Restaurants (Sub-sector)
67.6	71.6	72.2	72.3	72.7	74.9	76.2	74.7	73.2	73.8	+0.51 (+0.7%)	McDonald's
68.9	69.6	67.6	71.0	72.9	74.2	75.0	75.1	72.5	72.3	-0.21 (-0.3%)	Burger King
66.8	67.9	67.5	70.4	70.4	72.7	73.6	69.9	69.8	69.9	+0.16 (+0.2%)	KFC
NM	NM	NM	68.8	70.7	71.9	73.7	74.6	75.9	69.5	-6.40 (-8.4%)	Subway
69.6	62.6	64.3	67.9	70.3	72.1	72.3	72.6	77.1	72.2	-4.87 (-6.3%)	Other fast food restaurants
NM	NM	NM	NM	71.9	73.9	74.8	73.6	69.6	70.6	+1.01 (+1.5%)	Cafes & Coffee Houses (Sub-sector)
NM	NM	NM	NM	NM	NM	NM	NM	68.8	71.9	+3.05 (+4.4%)	Coffee Bean & Tea Leaf
73.4	69.1	70.1	72.7	73.2	75.6	76.4	77.1	72.3	71.4	-0.97 (-1.3%)	Starbucks
NM	NM	NM	69.6	70.3	71.4	73.1	68.3	65.5	71.1	+5.65 (+8.6%)	Toast Box
NM	NM	NM	70.1	70.2	72.3	72.7	72.7	65.6	71.0	+5.42 (+8.3%)	Ya Kun
74.5	69.1	69.4	71.1	74.2	75.1	75.8	76.1	75.4	74.1	-1.31 (-1.7%)	TOURISM (Sector)
79.8	72.6	70.3	72.8	73.3	74.1	75.1	76.1	75.4	74.1	-1.31 (-1.7%)	Attractions (Sub-sector)
78.7	70.8	71.6	73.3	74.5	74.7	75.7	78.9	74.5	75.2	+0.79 (+1.1%)	Singapore Zoo
NM	NM	NM	72.1	73.2	74.4	75.4	76.2	75.9	75.1	-0.84 (-1.1%)	Gardens By The Bay
81.6	73.2	71.0	73.1	71.9	73.1	74.5	72.7	75.7	73.7	-2.02 (-2.7%)	Universal Studios
78.1	71.6	71.6	74.3	74.9	75.6	76.5	72.2	74.4	73.4	-1.01 (-1.4%)	Sentosa
79.3	69.1	68.7	70.5	71.2	72.0	73.2	77.7	75.6	73.9	-1.69 (-2.2%)	Other attractions

Customer Satisfaction scores are based on a 0 to 100 scale.

Changes in Green or Red indicates a statistically significant year-on-year increase or decrease.

Statistical significance is defined at a 90% Confidence Interval.

NM / Not Measured

NA / Not Applicable

Note 1 Restaurants were previously measured at the holding-level. Since 2016, brand-level entities were measured instead.

Note 2 From 2020, data collection for these sub-sectors was done via an online methodology and no tourists were measured. Data shown in the years before 2020, and collected via the face-to-face methodology, cannot be directly comparable to scores from 2020 and should only be used as reference.

Note 3 Due to the Covid-19 situation and travel restrictions, the Hotels sub-sector, which only surveyed tourists, was not measured in 2020, 2021 and 2022.